

Exhibit 1



OMEGA NAVIGATION ENTERPRISES INC.

TO: HSH Nordbank AG (the "Senior Agent")
Gerhart-Hauptmann-Platz 50
D-20079 Hamburg
Germany
Attention: Reinhard Günther

BY FAX AND E-MAIL

Your Ref: CAS/10011607/SKD

3 February 2011

Dear Sirs

Earnings Accounts under a USD145,000,000 Term Loan / USD150,000,000 Revolving Credit Facilities Agreement to Omega Navigation Enterprises Inc. (the "Borrower") dated 7 April 2006 (as amended and supplemented from time to time) (the "Senior Loan Agreement")

Unless otherwise defined, words and expressions defined in the Senior Loan Agreement shall have the same meaning when used in this Letter.

We refer to the letter dated 1 February 2011 from yourselves as Senior Agent (on behalf of the Banks under the Senior Loan Agreement (the "Senior Lenders")) to ourselves in our capacity as Borrower or Owner (as applicable) (the "Earnings Accounts Letter").

Please find attached at Appendix 1 to this Letter the following information in respect of each Ship:

1. Part A: a schedule of current employment details (including the name and address of the relevant charterer, net daily hire rate, frequency of hire payments and the date when the next hire payment is due);
2. Part B: a schedule of Earnings received since October 2010 up to and including the date of this Letter; and
3. Part C: a schedule of permitted payments made in respect of the Earnings received since October 2010;

Please find attached at Appendix 2 to this Letter, executed copies of a notice of assignment in respect of each Ship. We confirm that all notices of assignment have been amended to include all current charterer's address details as stated in Part A of Appendix 1 to this Letter.



OMEGA NAVIGATION ENTERPRISES INC.


We are concurrently arranging for all executed notices of assignment to be faxed and couriered to each charterer with copy to the Senior Agent (by fax only). Successful fax transmission statements and confirmation of courier delivery will also be provided to the Senior Agent as soon as practicable and in any case within 7 days of the date of the Earnings Accounts Letter.

We confirm that the Borrower and each Owner is taking all necessary steps to ensure that all future Earnings are applied to the relevant Earnings Accounts in accordance with the Senior Loan Agreement and each General Assignment. Furthermore, we confirm that the Borrower and each Owner will procure that all necessary steps are taken:

- (i) for each of the notices of assignment attached at Appendix 2 of this Letter (together with such other notices of assignment that the Senior Agent may reasonably require) to be brought to the attention of both the registered office and the relevant department at each charterer; and
- (ii) for all future Earnings to be paid into the Earnings Accounts.

We trust that the Senior Agent and the Senior Lenders are satisfied that all necessary action has been taken by the Borrower and each Owner in connection with the Earnings Account Letter. However, should any further action be required please provide your instructions by return.

Yours faithfully



for and on behalf of

**OMEGA NAVIGATION ENTERPRISES, INC.
ORANGE NAVIGATION INC.
BAYTOWN NAVIGATION INC.
CARROLTON NAVIGATION INC.
DECATUR NAVIGATION INC.
BEAUMONT NAVIGATION INC.
GALVESTON NAVIGATION INC.
ELGIN NAVIGATION INC.
FULTON NAVIGATION INC.**

Appendix 1
(Part A: Ship Employment)

| Name of Owner | Name of Charterer | Registered Office Address Details | Trading Address Details | Net Daily Hire Rate | Hire Frequency |
|----------------------------|----------------------------------------------------------|-----------------------------------|---------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------|
| Orange Navigation Inc. | COMMERCIAL MANAGER, ST SHIPPING & TRANSPORT PTE. LIMITED | SINGAPORE | 1 TEMASEK AVENUE #34-01 MILLENNIA TOWER, SINGAPORE 039192 | SPOT MARKET | UPON VOYAGE COMPLETION/ PAYMENT OF HIRE BY CHARTERERS |
| Baytown Navigation Inc. | COMMERCIAL MANAGER, ST SHIPPING & TRANSPORT PTE. LIMITED | SINGAPORE | 1 TEMASEK AVENUE #34-01 MILLENNIA TOWER, SINGAPORE 039192 | SPOT MARKET | UPON VOYAGE COMPLETION/ PAYMENT OF HIRE BY CHARTERERS |
| Carrollton Navigation Inc. | ST SHIPPING & TRANSPORT PTE. LIMITED | SINGAPORE | 1 TEMASEK AVENUE #34-01 MILLENNIA TOWER, SINGAPORE 039192 | AVERAGE TCE BASED ON POOL PERFORMANCE | MONTHLY |
| Decatur Navigation Inc. | ST SHIPPING & TRANSPORT PTE. LIMITED | SINGAPORE | 1 TEMASEK AVENUE #34-01 MILLENNIA TOWER, SINGAPORE 039192 | AVERAGE TCE BASED ON POOL PERFORMANCE | MONTHLY |
| Beaumont Navigation Inc. | ST SHIPPING & TRANSPORT PTE. LIMITED | SINGAPORE | 1 TEMASEK AVENUE #34-01 MILLENNIA TOWER, SINGAPORE 039192 | \$25,500.00 | MONTHLY |
| Galveston Navigation Inc. | ST SHIPPING & TRANSPORT PTE. LIMITED | SINGAPORE | 1 TEMASEK AVENUE #34-01 MILLENNIA TOWER, SINGAPORE 039192 | \$25,500.00 | MONTHLY |
| Elgin Navigation Inc. | ST SHIPPING & TRANSPORT PTE. LIMITED | SINGAPORE | 1 TEMASEK AVENUE #34-01 MILLENNIA TOWER, SINGAPORE 039192 | AVERAGE TCE BASED ON POOL PERFORMANCE | MONTHLY |
| Fulton Navigation Inc. | CAPE TANKERS INC | (NOT KNOWN) | AVENUE EL BOSQUE NORTH 500, 20 TH FLOOR, LAS CONDES. SANTIAGO, CHILE | \$16,000.00 | MONTHLY |

Appendix 1
(Part B: Earnings)

| A/A | VESSEL | PERIOD/VOYAGE | OTHER BANK ACCOUNTS | HSH |
|--------------|-------------------|------------------------|---------------------------|---------------------|
| 1 | OMEGA LADY SARAH | OCTOBER HIRE | 584.118,75 | 200.000,00 |
| 2 | OMEGA LADY MIRIAM | OCTOBER HIRE | 584.118,75 | 200.000,00 |
| 3 | OMEGA PRINCE | OCTOBER POOL REVENUES | | 327.884,12 |
| 4 | OMEGA PRINCESS | OCTOBER POOL REVENUES | | 327.884,12 |
| 5 | OMEGA THEODORE | VOYAGE 42 REVENUES | | 181.359,96 |
| 6 | OMEGA EMMANUEL | VOYAGE 42 REVENUES | | 389.801,16 |
| 7 | OMEGA KING | OCTOBER HIRE | | 489.800,00 |
| 8 | OMEGA QUEEN | OCTOBER POOL REVENUES | | 479.745,94 |
| 9 | OMEGA KING | NOVEMBER HIRE | 474.000,00 | |
| 10 | OMEGA LADY SARAH | NOVEMBER HIRE | 757.437,50 | |
| 11 | OMEGA LADY MIRIAM | NOVEMBER HIRE | 757.437,50 | |
| 12 | OMEGA PRINCE | NOVEMBER POOL REVENUES | 381.651,17 | |
| 13 | OMEGA PRINCESS | NOVEMBER POOL REVENUES | 381.651,17 | |
| 14 | OMEGA QUEEN | NOVEMBER POOL REVENUES | | 338.717,56 |
| 15 | OMEGA EMMANUEL | VOYAGE 42 REVENUES | | 48.160,09 |
| 16 | OMEGA EMMANUEL | VOYAGE 43 REVENUES | 365.604,13 | |
| 17 | OMEGA THEODORE | VOYAGE 44 REVENUES | | 395.089,00 |
| 18 | OMEGA THEODORE | VOYAGE 42 REVENUES | 361.722,99 | |
| 19 | OMEGA QUEEN | DECEMBER POOL REVENUES | | 344.360,89 |
| 20 | OMEGA PRINCE | DECEMBER POOL REVENUES | 258.413,68 | |
| 21 | OMEGA PRINCESS | DECEMBER POOL REVENUES | 228.437,82 | |
| 22 | OMEGA KING | DECEMBER HIRE | | 489.800,00 |
| 23 | OMEGA LADY SARAH | DECEMBER HIRE | 782.818,75 | |
| 24 | OMEGA LADY MIRIAM | DECEMBER HIRE | 612.118,75 | 170.500,00 |
| 25 | OMEGA LADY SARAH | JANUARY HIRE | 782.818,75 | |
| 26 | OMEGA LADY MIRIAM | JANUARY HIRE | 820.169,81 | |
| 27 | OMEGA QUEEN | JANUARY POOL REVENUES | | 449.426,65 |
| 28 | OMEGA PRINCE | JANUARY POOL REVENUES | 575.973,18 | |
| 29 | OMEGA PRINCESS | JANUARY POOL REVENUES | 575.973,18 | |
| TOTAL | | | 9.284.065,88 | 4.812.529,49 |

Appendix 1
 (Part C: Permitted Payments)

| A/A | NARRATIVE | | OTHER BANK ACCOUNTS | | HSH |
|-----|-----------------|--|---------------------------|--|---------------------|
| 1 | INTEREST / SWAP | | 1.831.466,00 | | 3.440.769,23 |
| 2 | RUNNING | | 3.317.940,00 | | 1.479.708,78 |
| 3 | NEW BUILDINGS | | 4.134.659,88 | | |
| | TOTAL | | 9.284.065,88 | | 4.920.478,01 |

Appendix 2
(Notices of Assignment)